



December 21, 2016

The Hon. Jorge O. Elorza
Mayor

Ricky Caruolo
General Manager

Mrs. Luly Massaro
Commission Clerk
RI Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

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RE: Dk 4618: Division Set 5

Dear Mrs. Massaro:

Enclosed please find an original and nine copies of Providence Water's responses to the fifth set of data requests from the Division.

If you have any questions I can be reached extension 7217.

Sincerely,

Mary L. Deignan-White
Senior Manager of Regulatory

cc: service list(via email)

MEMBER

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**Data Requests of the
Division of Public Utilities and Carriers
Set 5**

DIV 5-1 : Please provide the Excel files (with formulas and cross references intact) for the PSWB rebuttal testimony. This would include schedules and exhibits filed by each PWSB rebuttal witness.

RESPONSE :

Please see attached files.

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DIV 5-2 : Please refer to Exhibit NEP-REB-9 (updated response to COM 1-2). Please provide the attached worksheet in Excel.

RESPONSE :

Please see response to DIV 5-1B.

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DIV 5-3: Please provide updated information on PSWB staffing, through the most recent month-end available.

Response: As of December 20th, 2016 Providence Water (PW) has 244 full and part time employees. We intend to reach the staffing of 265 full and part time employees soon. The following is the status of filling the remaining positions.

Engineering Project Coordinator (EPC)/Supervisor – Customer Service – As indicated in Mr. Caruolo’s rebuttal testimony, these three positions (two EPCs and one Supervisor – Customer Service) are for current East Smithfield Water District Employees. The current effective date of the merger and annexation is January 9th, 2017.

Watershed Maintenance Operator – These two positions have been filled and the employees are scheduled to start January 9th, 2017.

Utility Worker in Training (UWIT) – As indicated in Mr. Caruolo’s rebuttal testimony, the creation of the Flushing Technician position has created vacancies in the entry level UWIT positions within the T&D department. PW is currently selecting and interviewing candidates for five positions. It is anticipated that these positions will be filled by mid-January 2017.

Senior Equipment Mechanic – PW is currently selecting and interviewing candidates for one position. It is anticipated that this positions will be filled by mid-January 2017.

Water Quality Coordinator – These two positions will be reallocated and will; (1) oversee the lead service loan and replacement program, (2) oversee and address water quality complaints, water quality testing and coordinate response to water quality issues, and (3) coordinate lead testing. These two positions are currently in recruitment and PW anticipates that these positions will be filled by the end of January 2017.

Watershed Grounds General Foreperson/Real Estate Administrator – These two positions will be reallocated to create a supervisor that will oversee the watershed maintenance operators and a supervisor that will oversee the watershed inspectors. These two positions are currently in recruitment and PW anticipates that these positions will be filled by the end of January 2017.

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Systems Analyst/Network Operation Analyst – As indicated in Mr. Caruolo’s rebuttal testimony, these two positions are needed to support our current and future IT infrastructure. These two positions are currently in recruitment and PW anticipates that these positions will be filled by the end of January 2017.

Watershed Inspector – This position is vacant due to an employee taking another position within PW. PW anticipates that this position will be filled sometime in February 2017.

Rain Gauge Keeper – This position is currently in recruitment. PW anticipates that this position will be filled in February 2017.

Utility Maintenance Repairman – PW anticipates that this position will be filled in February 2017.

Water Treatment Operator – This position is vacant due to a recent termination. PW anticipates that this position will be filled in February 2017.

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DIV 5-4: Refer to Exhibit NEP-REB-7, which projects the Western Cranston Fund for fiscal years 2017 through 2022 as a purported recalculation of Schedule RCS-12 filed by Division witness Ralph C. Smith.

- a. Schedule NEP-12B from PWSB filing contained a projection through FY2019. Schedule RCS-12 contained a projection through FY2019. Please confirm that, even with the updated information, Exhibit NEP-REB-7 shows a positive FY2019 end of year fund balance of \$166,742. If not confirmed, explain fully.
- b. Explain why Exhibit NEP-REB-7 projects out through FY2022 when the original Schedule NEP-12B from PWSB's filing projected through FY2019, and specifically address why the additional three years of projections (FY2020, FY2021 and FY2022) that are now shown the rebuttal (in Exhibit NEP-REB-7) were not included in PSWB's original application.
- c. Please confirm that PWSB would show a negative FY2022 end-of-year balance for the Western Cranston Fund under its updated projections, even if all of the "Division Recommended Adjustment to PW Proposed Funding Level" amounts on the second line of Exhibit NEP-REB-7 were zero. If not confirmed, explain fully.
- d. Is PWSB requesting any adjustment to its originally proposed funding levels for the Western Cranston Fund? (1) If so, identify, quantify and explain the request. (2) if not, explain fully why not.
- e. Does PSWB anticipate filing another rate case prior to FY2022?
- f. When does PSWB plan to file its next rate case?

RESPONSE :

- a. Yes, we confirm that the estimated ending fund balance of the Western Cranston Fund at the end of Fiscal Year 2019 is positive.
- b. The Exhibit NEP – REB – 7 is projected out through FY2022 as opposed to the original Schedule NEP-12B so that a complete analysis of the future health of the fund could be assessed if the Division's proposal to decrease the funding of the Western Cranston Fund by \$22,069 should be made. Because the ending balance of that fund was trending downward at the end of each successive year, we wanted to assess the ending balance beyond the immediate future as this decrease would affect the out years. As NEP – REB – 7 illustrated the fund balance goes to only \$51,905 in FY2020 and then goes negative in FY2021. This downward trend would inhibit our ability to cover our debt service requirements and continue any improvements to the Western Cranston parts of the system.
- c. Yes, we confirm that the estimated ending balance for the Western Cranston Fund in

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- FY2022 is negative if the Division's adjustment is \$0. See attached Exhibit DIV 5-4A.
- d. No, PWSB is not requesting any adjustment to its originally proposed funding level of \$62,069 for the Western Cranston Fund at this time. The current funding level will allow us to continue work for approximately one additional year before Providence Water would have to request an increase in funding for this fund.
 - e. Yes, Providence Water does anticipate filing another rate case prior to FY2022.
 - f. Preliminary analysis shows that Providence Water will file its next rate case in 2018.